

EUROPEAN PARLIAMENT

Working Documents

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Report

drawn up on behalf of the
Committee on External Economic Relations

on the Agreement extending the provisions
governing the first stage of the Agreement
establishing an association between the
European Economic Community and Malta
(Doc. 564/75)

Rapporteur : Mr J.W. SPICER

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By letter of 2 March 1976 the President of the Council of the European Communities consulted the European Parliament, pursuant to Article 238 of the Treaty establishing the European Economic Community, on the Agreement extending the provisions governing the first stage of the Agreement establishing an association between the European Economic Community and Malta.

The President of the European Parliament referred this Agreement to the Committee on External Economic Relations as the committee responsible and the Committee on Budgets for its opinion.

On 9 March 1976 the Committee on External Economic Relations appointed Mr Spicer rapporteur.

It considered the Agreement at its meeting of 9 March 1976 and unanimously adopted the motion for a resolution and explanatory statement.

Present: Mr Kaspereit, chairman; Mr Scott-Hopkins and Mr Antoniozzi, vice-chairmen; Mr Spicer, rapporteur; Mr Baas, Mr Barnett, Mr Bermani, Mr Bersani, Mr Brégégère, Lord Castle, Mr Dykes, Mr Klepsch, Mr de Koning, Mr Laban (deputizing for Mr Patijn), Mr E. Muller, Mr Romualdi, Mr Schulz, Mr Thornley, Mr Vandewiele, Mr Vetrone and Lord Walston.

The opinion of the Committee on Budgets is attached.

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A

The Committee on External Economic Relations hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the Agreement extending the provisions governing the first stage of the Agreement establishing an association between the European Economic Community and Malta

The European Parliament,

- having regard to the Agreement extending the provisions governing the first stage of the Agreement establishing an association between the European Economic Community and Malta,
- having been consulted by the Council pursuant to Article 238 of the Treaty establishing the EEC (Doc. 564/75),
- having regard to the report of the Committee on External Economic Relations and the opinion of the Committee on Budgets (Doc. 12/76),

approves the Agreement

EXPLANATORY STATEMENT

The Association Agreement concluded on 5 December 1970 between Malta and the EEC entered into force on 1 April 1971.

The Agreement consists of two stages. The first, for a five-year period, mainly involves the lowering of customs tariffs and the granting of Community aid for Malta's industrial development. It does not cover agricultural and processed agricultural products.

The Agreement provides that, eighteen months before the end of the first stage, negotiations may be opened for the purpose of determining the content of the second stage, which is to lead progressively to a customs union.

The first stage should thus have ended on 31 March 1976. Since, however, it has still not been possible to open the negotiations on the matters to be covered by the second stage, the Maltese delegation has requested that the provisions governing the first should in the meantime be extended.

This is the object of the Agreement signed in Brussels on 27 February 1976 by the European Economic Community and Malta, which extends until 30 June 1977 at the latest the period of validity of the provisions governing the first stage of the Agreement and which has been submitted to our Parliament for its opinion, pursuant to Article 238 of the Treaty.

The Agreement concluded between the two sides on 23 December 1975 and consisting of:

- a Protocol laying down certain provisions relating to the Agreement establishing an association between the EEC and Malta and containing certain transitional and adaptation measures, a system applicable to certain agricultural products, arrangements for the establishment of cooperation, and five declarations and an exchange of letters;
- a Protocol concerning the definition of the concept of 'originating products' and methods of administrative cooperation, together with a declaration;
- a Financial Protocol together with a declaration and an exchange of letters,

on which Parliament will shortly have the opportunity of voting (see Spicer report - PE 43.834), cannot be regarded as the 'second stage' of

the 1970 Association Agreement. It is clear, however, that the prolonged and difficult negotiations, which were opened on 25 September 1974 and concluded as late as December 1975 and which were necessary to finalize the Agreement, prevented the two sides from considering within the time-limit prescribed the content of the second stage.

The European Parliament is in favour of strengthening its ties of association with the Republic of Malta and hopes that the new negotiations can begin at an early date and be brought to a rapid conclusion.

In the meantime, the Agreement signed on 27 February 1976 with Malta would seem to be justified by the circumstances to which we have just referred. Accordingly, the European Parliament endorses it without amendment.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the Committee on Budgets to Mr Gabriel KASPEREIT, chairman of the Committee on External Economic Relations

Strasbourg, 10 March 1976

Dear Mr Chairman,

At its meeting of 8 March 1976 in Strasbourg, the Committee on Budgets¹ considered the recommendation for a Regulation (EEC) of the Council concluding the Agreement extending the provisions governing the first stage of the Agreement establishing an association between the European Economic Community and Malta (COM(76) 40 final).

The Committee on Budgets noted that a financial statement was not attached to the recommendation, which cannot be excused by the fact that this is a mere extension of an arrangement which has been in existence since 1971.

Owing to the low volume of trade between Malta and the European Communities, the 70% reduction of Common Customs Tariff duties on imports of Maltese goods into the Community which is to apply in the first stage of the agreement pursuant to Article 1 of Annex I of Council Regulation (EEC) No. 492/71 of 1 March 1971, will not in fact have any significant effects on the Community budget.

Having regard to the negotiations which have now been concluded between the European Economic Community and the Republic of Malta with a view to the conclusion of a protocol laying down certain provisions concerning the Agreement establishing an association between the European Economic Community and Malta and a financial protocol (second stage), and in order to avoid a hiatus, an extension of the first stage beyond 31 March 1976 can only be approved until 30 June 1977 at the latest.

Please consider this letter to be a favourable opinion from the Committee on Budgets.

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(sgd.) Erwin LANGE

¹ Present: Mr Lange, chairman; Lord Bessborough, Lord Bruce of Donington, Mr Dalyell, Mr Fletcher, Mr Früh, Mr Gerlach, Mr Lautenschlager, Mr Notenboom and Mr Shaw.